

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

WILLIAMS ASSETS, LLC et al.,
Plaintiffs,
-against-
PATRICK GARVEY et al.,
Defendants.

24-cv-3234 (AS)

ORDER

ARUN SUBRAMANIAN, United States District Judge:

By August 23, 2024, Defendant Patrick Garvey must file a letter explaining why this Court has subject-matter jurisdiction over this action. First, as to federal-question jurisdiction, this matter appears to involve a property dispute. It appears that Garvey may be raising counterclaims or defenses based on federal law, but “the well-pleaded complaint rule ... requires that the federal element in the case be found in the plaintiff’s claim itself, and not in a defense (actual or anticipated) or counterclaim.” § 3562 The Meaning of “Arising Under”, 13D Fed. Prac. & Proc. Juris. § 3562 (3d ed.).

In addition, it is not clear that the parties to this matter are completely diverse.

If Garvey is alleging diversity jurisdiction, his letter should contain allegations relating to the citizenship of each plaintiff and each defendant. It is well established that a limited liability company (“LLC”) is deemed to be a citizen of each state of which its members are citizens. *See, e.g., Handelsman v. Bedford Vill. Assocs. L.P.*, 213 F.3d 48, 51-52 (2d Cir. 2000); *see also Altissima Ltd. v. One Niagara LLC*, No. 08-CV-756S(M), 2010 WL 3504798, at *2 (W.D.N.Y. Sept. 2, 2010) (noting that every other Court of Appeals to have considered LLC citizenship has held that an LLC has the citizenship of all of its members). **Thus, Garvey must allege the citizenship of natural persons who are members of an LLC and the place of incorporation and principal place of business of any corporate entities that are members of the LLC (including the citizenship of any members of the LLC that are themselves LLCs).** *See Handelsman*, 213 F.3d at 51-52; *see also, e.g., In re Bank of Am. Corp. Sec., Derivatives, and ERISA Litig.*, 757 F. Supp. 2d 260, 334 n.17 (S.D.N.Y. 2010).

In his letter, Garvey should also confirm that he has filed a copy of the notice of removal with the clerk of the state court from which this case was removed in accordance with 28 U.S.C. § 1446(d).

Garvey is ordered to serve this Order on each plaintiff and each defendant in this action.

SO ORDERED.

Dated: August 16, 2024
New York, New York

A handwritten signature in black ink, appearing to read 'Arun Subramanian', is written over a horizontal line.

ARUN SUBRAMANIAN
United States District Judge